

Message Text

LIMITED OFFICIAL USE

PAGE 01 RABAT 02344 291142Z

41

ACTION EB-07

INFO OCT-01 AF-08 NEA-10 ISO-00 SP-02 USIA-06 AID-05

NSC-05 CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01

CIAE-00 COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03

LAB-04 SIL-01 IGA-02 PA-01 PRS-01 L-03 H-02 SAJ-01

/096 W

----- 064768

P R 291100Z APR 76

FM AMEMBASSY RABAT

TO SECSTATE WASHDC PRIORITY 8458

INFO AMEMBASSY ALGIERS

AMEMBASSY CAIRO

AMEMBASSY DAMASUS

AMEMBASSY DOHA

AMEMBASSY JIDDA

AMEMBASSY KHARTOUM

AMEMBASSY KUWAIT

AMEMBASSY MOGADISCIO

AMEMBASSY MUSCAT

AMEMBASSY NOUAKCHOTT

AMEMBASSY SANA

AMEMBASSY TRIPOLI

AMEMBASSY TUNIS

USINT BAGHDAD

LIMITED OFFICIAL USE RABAT 2344

E.O. 11652: N/A

TAGS: EFIN MO

SUBJECT: NEW ARAB MONETARY FUND CREATED

REF: RABAT 2305

1. FINANCE MINISTERS OF THE TWENTY-ONE NATIONS OF ARAB

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 RABAT 02344 291142Z

LEAGUE ON APRIL 27 SIGNED ACCORD CREATING ARAB MONETARY

FUND WITH INITIAL PLEDGED CAPITAL OF 250 MILLION "ARAB DINARS", A NEW UNIT OF CURRENCY SIMILAR TO SPECIAL DRAWING RIGHTS OF INTERNATIONAL MONETARY FUND (IMF) ("AD" 1 EQUALS SDR 3 EQUALS \$US 3.64). HEADQUARTERS OF AMF WILL BE LOCATED IN ABU DHABI.

2. SHARES IN FUND WILL RANGE FROM THE 1.7 MILLION DINARS PLEDGED BY PALESTINE LIBERATION ORGANIZATION TO THIRTY-EIGHT MILLION EACH GUARANTEED BY SAUDI ARABIA AND ALGERIA. MOST OTHER PLEDGES ARE IN FOUR TO TEN MILLION RANGE, BUT EGYPT, IRAQ AND KUWAIT HAVE EACH PLEDGED 25 MILLION AND UNITED ARAB EMIRATES FIFTEEN MILLION. IT UNDERSTOOD THAT VOTING STRENGTH ON BOARD OF GOVERNORS OF FUND WILL BE WEIGHTED, BASED ON AMOUNT OF EACH COUNTRY'S CONTRIBUTION. PLEDGES WERE CONSIDERABLY LOWER THAN ANTICIPATED AT THE TIME FUND WAS PROPOSED IN 1972.

3. LOANS GRANTED BY THE ARAB FUND WILL BE FOR MAXIMUM PERIOD OF SEVEN YEARS AND WILL BE DENOMINATED IN NEW ARAB UNIT OF ACCOUNT. FUND WILL STUDY REQUESTS FOR LOANS FROM MEMBER NATIONS WITH MAJOR OBJECTIVE OF ASSISTING IN ALLEVIATING TEMPORARY BALANCE OF PAYMENTS DEFICITS. OTHER ANNOUNCED OBJECTIVES ARE ARAB MONETARY STABILITY, AND PROMOTION OF INTER-ARAB AND INTERNATIONAL TRADE.

4. CONFERENCE, WHICH WAS PRESIDED OVER BY MOROCCAN FINANCE MINISTER ABDELKADER BENSLIMANE AND MAHMOUD RIAD, SECRETARY GENERAL OF THE ARAB LEAGUE, HELD FINAL WORKING SESSION APRIL 28. MOROCCAN PRESS, BOTH PRO-GOVERNMENT AND REPRESENTING THE OPPOSITION ISTIQLAL PARTY, HAILED AGREEMENT AS PROOF THAT THE OBJECTIVE OF CONFERENCE--"TO STRENGTHEN INTER-ARAB COOPERATION IN ECONOMIC, MONETARY AND FINANCIAL FIELDS"--HAS BEEN ACHIEVED. UNDERSTOOD, HOWEVER, THAT SOME DELEGATIONS DISAPPOINTED AT SIZE OF INITIAL CAPITALIZATION WHICH BELOW EARLIER EXPECTATIONS.
ANDERSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, FINANCIAL CONTRIBUTIONS, DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976RABAT02344
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760162-1059
From: RABAT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760410/aaaaahpi.tel
Line Count: 97
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 RABAT 2305
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 07 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 JUN 2004 by buchant0>; APPROVED <30 SEP 2004 by izenbei0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NEW ARAB MONETARY FUND CREATED
TAGS: EFIN, MO, XF, ARAB MONETARY FUND
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006